LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6544 DATE PREPARED: Dec 11, 1998

BILL NUMBER: HB 1459 BILL AMENDED:

SUBJECT: Handguns and children.

FISCAL ANALYST: Mark Bucherl PHONE NUMBER: 232-9869

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

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STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues		(14,850)	(14,850)
State Expenditures			
Net Increase (Decrease)		(14,850)	(14,850)

Summary of Legislation: This bill prohibits the issuance of a license to carry a handgun to a person less than 21 years of age. (Current law prohibits the issuance of a license to carry a handgun to a person less than 18 years of age.) It makes it a Class A infraction for an adult to knowingly, intentionally, recklessly, or negligently store or leave a loaded handgun, or an unloaded handgun that is accompanied by ammunition, in a location where the adult knows or should reasonably know that an unsupervised child is likely to gain access to and handle the handgun if: (1) a child gains access to the handgun; and (2) the child violates the law concerning carrying a handgun without a license or uses the handgun to cause bodily injury to the child or to another person. It also makes a repeat offense a Class A misdemeanor.

Effective Date: July 1, 1999.

Explanation of State Revenues: By raising the legal age handgun licensing from 18 to 21 years, approximately 990 fewer permits would be issued each year (based on 3,960 outstanding four-year licenses). This would result in an annual revenue loss of about \$14,850. The State Police currently charge a fee of \$5 for qualified and \$15 for unlimited handgun licenses (almost all licenses issued are unlimited). Licensing fees are deposited to the state General Fund.

This bill introduces two new penalty provisions: a Class A infraction and a Class A misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state

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General Fund could increase. The maximum judgment for a Class A infraction is \$10,000 which is deposited in the state General Fund. The maximum fine for a Class A misdemeanor is \$5,000, and misdemeanor fines are deposited in the Common School Fund. If cases are filed in circuit, superior, county or municipal courts (courts of record), 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Explanation of Local Expenditures: A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

<u>Explanation of Local Revenues:</u> If the minimum licensing age is raised from 18 to 21 year, local law enforcement agencies would receive less licensing revenue (a \$10 fee per license). Registration fees are deposited into each law enforcement agency's firearms training fund or appropriate training activities funds.

If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.(2) A \$3 fee would be assessed, and if collected would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed, and if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Les Miller, State Police.

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